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FM AMEMBASSY KATHMANDU
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1574
INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 4389
RUEHLM/AMEMBASSY COLOMBO PRIORITY 4645
RUEHKA/AMEMBASSY DHAKA PRIORITY 9749
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2629
RUEHLO/AMEMBASSY LONDON PRIORITY 4042
RUEHML/AMEMBASSY MANILA PRIORITY 1689
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 9774
RUEHKO/AMEMBASSY TOKYO PRIORITY 0905
RUCNDT/USMISSION USUN NEW YORK PRIORITY 1794
RHEFDIA/DIA WASHDC PRIORITY
RUEHGV/USMISSION GENEVA PRIORITY 1140
RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
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C O N F I D E N T I A L KATHMANDU 001319

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DEPT FOR SCA/INS, EAP
MANILLA PLEASE PASS TO E SPELTZ

E.O. 12958: DECL: 05/25/2016
TAGS: [PREL](#) [PGOV](#) [PTER](#) [EAID](#) [ASEC](#) [NP](#) [JP](#) [IN](#)
SUBJECT: JAPANESE AMBASSADOR SUPPORTS ACTING QUICKLY TO
SHORE UP GOVERNMENT

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b,d).

Japan Plans to Increase Assistance to GON

11. (C) The Ambassador met with Japanese Ambassador Tsutomu Hiraoka on May 24 in order to push the message that Nepal's traditional donors should increase assistance as quickly as possible to consolidate the democratic transition. Hiraoka replied that he supported increasing assistance to the new government to support its legitimacy and strengthen its position as it entered into peace negotiations with the Maoists. He stressed that Japan's goal was to refrain from giving any legitimacy to the Maoists. He said that Tokyo was worried about the "fluid" situation in Nepal and he felt Tokyo would be receptive to his suggestion to act immediately to increase assistance to Nepal by 50 million USD. He noted this assistance could be in the form of non-project budgetary support or infrastructure projects such as roads.

Nothing to Maoists

12. (C) Hiraoka stressed that his government would not fund the feeding of Maoist cadre, and would be forced to stop all assistance if the Maoists joined the government without giving up arms. Hiraoka stressed that the GOJ viewed Maoists as fundamentally opposed to democracy, against free-market economies and private enterprise. The Ambassador noted that the U.S. would not fund assistance to the Maoists either. Hiraoka expressed interest in plans for U.S. development and military assistance. The Ambassador highlighted the need for small scale, quick impact projects to show government progress and pressure the Maoists to negotiate. Hiraoka commented that SCA A/S Boucher and Norwegian envoy Erik Solheim would be in Tokyo on May 30 for a meeting on Sri Lanka, and Tokyo planned to take the opportunity to discuss Nepal with the two.

Role of India

13. (C) Hiraoka was interested in the Indian view of UN involvement in monitoring the cease-fire, acting as a witness, and decommissioning. Noting that the stated U.S. goal in Nepal was to restore democracy and prevent a Maoist takeover, Hiraoka wondered if a third goal was to build our relationship with India. The Ambassador acknowledged that coordinating with India on Nepal issues was beneficial to our bilateral relationship, but explained it was a byproduct of, and not the driving force behind, pursuing our goals in Nepal. Hiraoka said that a Japanese diplomat recently visited New Delhi and talked to his counterpart in the Foreign Ministry about the possibility of coordinating policy on Nepal. The Indian diplomat reportedly replied that India was already coordinating with the U.S. and European countries; however, he allowed that there would be "no harm" if Japan were to make some statement on Nepal.

Concerned About Safety of Japanese

14. (C) Hiraoka continued to be concerned about the safety of Japanese citizens in Nepal, saying that many businessmen had expressed concern to him about growing Maoist extortion. He noted that in April he had been close to evacuating staff of the Japanese Embassy (17 Japanese nationals) and Japan International Cooperation Agency (JICA) (12 Japanese nationals). Hiraoka commented that, for the safety of the approximately 50 JICA volunteers, he was careful not to denounce the Maoists in public. He said the volunteers had had few problems with Maoists to date. While Japanese-affiliated travel and trekking companies were

pressing him to lower the travel advisory, he said he would only do so if peace talks progressed well.

Comment

15. (C) Japanese budgetary assistance could go a long way in helping the government. It is encouraging to see Japan taking the decision to act sooner rather than later to work to strengthen the new democratic government.
MORIARTY